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Artis Capital Management, L.P., Sequoia
Capital Operations LLC and
TriplePoint Capital LLC

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

VIACOM INTERNATIONAL INC., ET AL.

Plaintiffs,

v.

YOUTUBE, INC., ET AL.

Defendants.

CASE NO.: 3:08-MC-80129-SI

[Case No. 07-cv-02103 (LLS) in the
U.S. D.C., S.D.N.Y.]

**DECLARATION OF MELINDA
DUNN IN SUPPORT OF
RESPONDENTS' OPPOSITION TO
PLAINTIFFS' JOINT MOTION TO
COMPEL PRODUCTION OF
DOCUMENTS PURSUANT TO
SUBPOENAS TO ARTIS CAPITAL
MANAGEMENT L.P., SEQUOIA
CAPITAL OPERATIONS LLC, AND
TRIPLEPOINT CAPITAL LLC**

THE FOOTBALL ASSOCIATION PREMIER
LEAGUE LIMITED, ET AL.

Plaintiffs,

v.

YOUTUBE, INC., ET AL.

Defendants.

[Case No. 07-cv-03532 (LLS) in the
U.S. D.C., S.D.N.Y.]

Date: August 15, 2008
Time: 9:00 a.m.
Courtroom: 10
Judge: Honorable Susan Illston

1 I, Melinda Dunn, hereby declare that:

2 1. I am the Chief Financial Officer of non-party Sequoia Capital Operations LLC
3 (“Sequoia”). I have been employed at Sequoia since 1992. I submit this declaration in support
4 of Respondents’ Opposition to Plaintiffs’ Joint Motion to Compel Pursuant to Subpoenas to Artis
5 Capital Management L.P., Sequoia Capital Operations LLC, and TriplePoint Capital LLC. I
6 have personal knowledge about the following facts, except where my knowledge is based upon
7 information and belief which is so noted below.

8 2. Sequoia is a venture capital fund that often provides funding to founders and
9 managers of technology companies.

10 3. Sequoia provided early stage funding to Google on May 26, 1999, and has had a
11 relationship with Google ever since that time. Sequoia, along with certain other investors, was
12 given the right to nominate and vote on two members of Google’s Board of Directors. Michael
13 Moritz, a managing member at Sequoia, occupied one of these Board seats from May 1999 to
14 May 2007. No one else from Sequoia has served as a member of Google’s Board of Directors.
15 Since that investment, Sequoia has worked with Google on deals unrelated to the acquisition of
16 YouTube.

17 4. Based on conversations with others at Sequoia, I am informed and believe that
18 Sequoia began considering an investment in YouTube in approximately August of 2005.

19 5. Sequoia participated in two rounds of funding for YouTube. The seed round
20 began in October of 2005 and became a Series A funding later that month. The Series A round
21 of funding was completed on October 21, 2005.

22 6. A provision of the YouTube Series A financing agreement gave Sequoia, along
23 with other Series A Preferred Stock holders, the right to nominate and vote on one member of
24 YouTube’s Board of Directors. Roelof Botha from Sequoia served as this board member from
25 October of 2005 through November of 2006.

26 7. The second round of YouTube funding began in February of 2006 and became a
27 Series B funding in March of 2006. The Series B round of funding closed on March 30, 2006.

1 8. As an owner of YouTube stock, Sequoia was asked to approve the merger
2 agreement between Google and YouTube. Sequoia did so contemporaneously with the approval
3 given by the other investors.

4 9. When the merger closed on November 13, 2006, Sequoia's entire financial
5 interest in YouTube converted into shares of Google common stock. Mr. Botha's role as a
6 member of YouTube's Board also ended on or around that date.

7 10. Sequoia has already expended significant resources in complying with the
8 discovery demands contained in the non-party subpoenas served on it in connection with cases
9 filed by Viacom International, Inc. et al. and The Football Association Premier League et al.
10 against YouTube pending in the United States District Court for the Southern District of New
11 York ("Subpoenas").

12 11. The process of searching for, collecting and processing documents in response to
13 the Subpoenas was particularly time-intensive and disruptive, primarily because all of Sequoia's
14 files, including email files dated prior to March 2007, are located on backup tapes. Accordingly,
15 Sequoia undertook an onerous multi-step process. The process was headed by an outside IT
16 consultant with whom I interacted and from whom my information on the process described
17 below was obtained.

18 12. Sequoia has purchased a software tool from Clearwell Systems ("Clearwell") to
19 assist in managing its documents. In addition to the substantial up front cost of purchasing this
20 software, Clearwell charges a per-search amount to conduct any particular search occasioned by
21 different litigations or discovery demands.

22 13. At the time Sequoia performed the search for documents responsive to the
23 Subpoenas, Sequoia employed one IT consultant to work on Sequoia's premises for 40 hours a
24 week to manage Sequoia's daily technical operations.

25 14. In order to collect the Sequoia data for Clearwell to process in response to the
26 subpoenas, Sequoia was first required to hire an additional IT consultant for the purpose of
27 locating appropriate tapes and writing up instructions for how to extract the relevant data from
28 the backup tapes, a process that took approximately ten hours.

1 15. Next, the on-site IT consultant then spent approximately 20 hours indexing the
2 backup tapes and manually retrieving the data to be searched by Clearwell. During this time,
3 Sequoia's on-site IT consultant was diverted from his usual tasks and as a result, had to work
4 additional hours to manage daily operations so as to avoid delay and disruption to Sequoia's
5 business.

6 16. The final step in this process was to provide the data collected from Sequoia's
7 backup tapes to Clearwell for processing with their search tool. Two dedicated Clearwell
8 employees spent one full week managing the search process and generating a report of the
9 relevant documents to be produced. Sequoia's on-site IT consultant was on call to manage the
10 Clearwell employees throughout the process, which again distracted him from dealing with
11 Sequoia's daily technical demands.

12 17. Performing a second search and collection for additional data would require, at a
13 minimum, following a similar process to the one described above. Specifically, Sequoia would
14 be required to (i) hire at least one additional IT consultant, (ii) locate, index and search through
15 its backup tapes, (iii) divert its on-site IT consultant from critical work functions, and disrupt
16 Sequoia's business operations; (iv) pay an additional per-case charge to have Clearwell process
17 Sequoia's data using their search utility. Sequoia itself has borne and will bear the costs of these
18 retrieval activities and associated disruptions.

19 18. My understanding of the additional burden associated with a further search
20 assumes that there would be some clearly defined universe for that search to cover – that is, a
21 search for the documents of a specific set of people working on a particular deal. Without those
22 limiting specifications, the process of retrieving and reviewing information from throughout the
23 company would be overwhelming, could take up to a month and could cause disruption to the
24 company's operations.

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